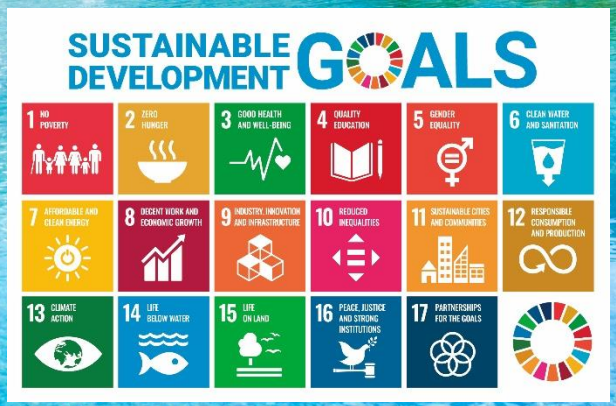
FCL COMPONENTS

FCL Components Group

Environmental Report FY2026



FCL Components Group regards the environment as a top management priority. We work to reduce the environmental impact of our products, services and business activities, contributing to a sustainable society and the protection of the global environment.

1. Message from the President



FCL Components LIMITED
President and CEO
Kenji Komatsu

Guided by our philosophy of "valuing the environment and achieving better corporate activities," FCL Components Group has continuously worked to reduce its environmental impact since 1998.
In recent years, the global average temperature has risen by approximately 1.1°C compared with pre-industrial levels, and this is cited as a contributing factor to extreme weather and natural disasters around the world. In response to climate change, many countries and regions, including Japan, are aiming for "carbon neutrality by 2050," and decarbonization efforts are accelerating across society.
In FY2024, FCL Components Group issued its "Carbon Neutral Declaration," setting the goal of achieving net-zero greenhouse gas emissions (Note 1) by FY2050. To reach this goal, in addition to further promoting energy conservation, we are advancing decarbonization initiatives such as expanding the use of renewable energy and utilizing non-fossil certificates (renewable-designated).
In product development, we are developing products that help our customers decarbonize and solve environmental challenges. For example, we offer relay products that contribute to more efficient energy use and a decarbonized society, such as high-capacity DC load switching relays for green markets including ZEH (net zero energy houses) and EV/PHV. In product development and manufacturing, we also work to improve energy and resource efficiency while ensuring strict compliance with laws and regulations on chemical substances contained in products.
Together with our management and employees, and through deeper collaboration with customers, business partners, government and local authorities, local communities and other stakeholders, FCL ComponentsGroup will continue to act to achieve its environmental targets, realize a sustainable society and protect the global environment.

(Note 1) Balancing emissions and removals of greenhouse gases, including carbon dioxide, so that overall net emissions are zero.

2. Company Profile

Company	FCL ComponentsLIMITED
Address	Shinagawa Seaside Park Tower, 4-12-4 Higashi-Shinagawa, Shinagawa-ku, Tokyo 140-8586, Japan
Representative	President and CEO Kenji Komatsu
Established	October 1, 2001
Business	Manufacture and sale of relays, keyboards, touch panels, thermal printers, wireless modules, KVM solutions and integrated devices (unit products)
Capital	JPY 90 million
Capital surplus	JPY 12,810 million (as of March 31, 2025)
Fiscal year-end	March 31
Employees	1,831 (consolidated, as of March 31, 2026)
Group companies	10 companies: 3 in Japan incl. the Company (1 sales company) and 7 overseas (5 sales companies)

3. Environmental Policy

■ FCL Components Group Environmental Policy

Philosophy

Recognizing that protecting the global environment is one of its most important issues, the Group adopts the philosophy of "valuing the environment and conducting better corporate activities." As a company that develops, designs, manufactures and sells component products, the Group promotes environmental management in accordance with ISO 14001, aiming for carbon neutrality as a climate change measure and a prosperous society in line with the Sustainable Development Goals (SDGs).

Action Guidelines

- Treating environmental protection, the core of our philosophy, as a top priority, we continually improve the environmental management system for the Group's activities, products and services.
- We work toward a sustainable society through environmental activities that protect the global environment for future generations.
- We actively provide products that help balance environmental and economic goals.
- We comply with environmental laws and regulations, and other requirements the Group has agreed to, relating to the Group's activities, products and services.
- Based on the principle of "do not include, do not use, do not attach, do not release," we maintain the complete elimination of hazardous substances designated by the Group (Note 1).
- Through their work and as citizens, every employee strives to improve the environment, including the sustainable use of resources (Note 2), promoting carbon neutrality to address climate change, and conserving biodiversity, and helps raise broader public awareness of these issues.

Note 1: Uses exempted under laws and regulations are excluded.
Note 2: As many resources are finite, we promote eco-design, energy saving, resource saving, waste reduction, recycling and other measures to use resources effectively for as long as possible.

Priority Areas

Among the environmental aspects of the Group's activities, products and services, we address the following as environmental management priorities.

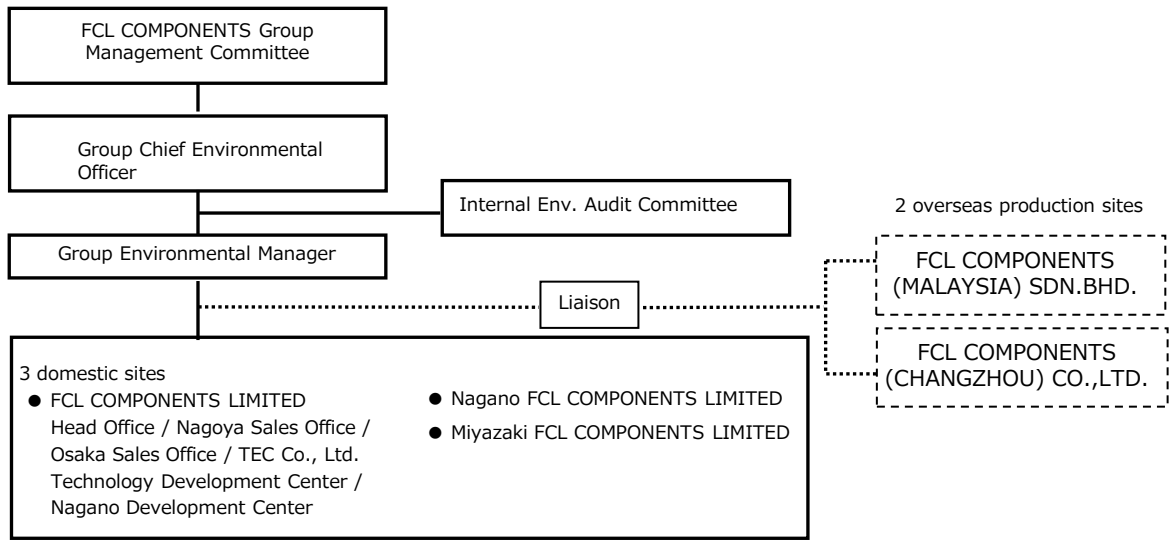
1. Enhancing environmental value across the product life cycle and complying with regulations on chemical substances in products
2. Promoting social and community contribution activities and ecosystem protection activities
3. Promoting carbon neutrality by increasing the renewable energy ratio and reducing energy consumption intensity
4. Reducing industrial waste generation intensity

Supplementary Provisions

1. This Environmental Policy shall be documented, communicated to all areas and all employees of the Group, and disclosed to the public.
2. This policy is administered by the FCL Components Group Environmental Management Office.

April 13, 2026
FCL Components Group
Chief Environmental Officer

4. FCL Components Group Environmental Management Organization



5. FCL Components Group 10th Environmental Action Plan / Results (FY2025–FY2027)

FCL Components Group has formulated its 10th Environmental Action Plan, setting specific initiatives from FY2025 through the end of FY2027. In FY2025, results exceeded targets for eco-friendly product development, social contribution activities and greenhouse gas reduction measures, and the waste generation intensity target was also achieved.

Area	10th Environmental Action Plan (Objectives)	FY2025	
		Target	Result
Contribution to society	[Enhancing environmental value across the product life cycle] 1. Develop at least 10 eco-friendly products meeting any of the following by the end of FY2027: (1) Products with top-level energy efficiency (Note 1) (2) Products with resource efficiency improved by 1% or more (Note 2) (3) New technologies that improve energy/resource efficiency (4) Products with energy/resource efficiency improved through manufacturing process improvements	3 products	6 products
	2. Provide products that comply with regulations on chemical substances in products.	Full compliance	No deviations
	[Promoting social/community contribution and ecosystem protection activities] Promote activities for social and community contribution and ecosystem protection.	27 activities	28 activities
Own business activities	[Promoting carbon neutrality by increasing the renewable energy ratio and reducing energy consumption intensity] 1. Increase the renewable energy usage ratio.	3 measures	3 measures
	2. To reduce GHG emissions, promote measures to cut energy consumption intensity (Note 3) by at least 1% vs. the most recent 5-year average.	15 measures	18 measures
	[Improving waste generation intensity] Keep waste generation intensity at or below the most recent 5-year average. (Note 4)	See Table 1	

Table 1 FY2025 Targets / Results for Waste Generation Intensity

Site	Intensity	FY2025 Target (Note 5)	FY2025 Result
FCL COMPONENTS	$\frac{\text{Waste (kg)}}{\text{Net sales (JPY million)}}$	≤ 80.9	72.3
Nagano FCL COMPONENTS	$\frac{\text{Waste (kg)}}{\text{Net sales (JPY million)}}$	≤ 16.6	16.1
Miyazaki FCL COMPONENTS	$\frac{\text{Waste (kg)}}{\text{Production volume (million units)}}$	≤ 330.4	302.3

(Note 1) Products meeting criteria equivalent to the top tier of the market, including products with top-level energy efficiency (world first, industry first, world best, industry best, etc.)

(Note 2) Improved resource savings (smaller, lighter or thinner products; fewer parts) or resource circularity (less waste, better recyclability)

(Note 3) Energy consumption intensity = energy consumption (t-CO2) / production (net sales or production volume). CO2 conversion factors are the latest published under the Energy Conservation Act.

(Note 4) Waste generation intensity = waste generated (kg) / production (net sales or production volume)

(Note 5) Targets are calculated from the average results of the most recent 5 years.

6. Environmental Initiatives

■ Development of Eco-Friendly Products

FCL Components Group promotes the development of products with excellent energy and resource efficiency, and actively provides products that help balance environmental and business goals.

■ Main Products Developed

Product category	Product developed and environmental feature	Environmental performance
Thermal printer	Product: Custom label printer Feature: Resource saving by eliminating inkjet cartridges	Resource saving: 35% vs. previous model *No ink cartridges needed over product life
Touch panel	Product: NC01111-T242-K Feature: Reduced film weight by changing the P/N film	Resource saving: 7% vs. previous model *Film thickness 188 μm ⇒ 175 μm
Keyboard	Product: Operation panel for a specific customer NC07005/NC07008 Feature: Fewer parts	Fewer parts and lower manufacturing load by eliminating the heat dissipation sheet
KVM solution	Product: KVM/KVC for a specific customer Feature: Longer life through parts review, and fewer parts through circuit redesign	KVM: Service life +6% vs. previous model KVC: Service life +14% vs. previous model KVC: Resource saving 8% vs. previous model

■ Social Contribution Activities

FCL ComponentsGroup carries out social contribution activities aimed at coexisting with local communities and conserving biodiversity.

■ Main Activities




Collection and donation of disposable hand warmers
Nagano FCL Components (Iiyama, Nagano)



Collection and donation of contact lens cases
FCL ComponentsHead Office (Shinagawa)




Left: Invasive species removal
Right: Iiyama City Flower Road Garden Project
Nagano FCL Components(Iiyama, Nagano)

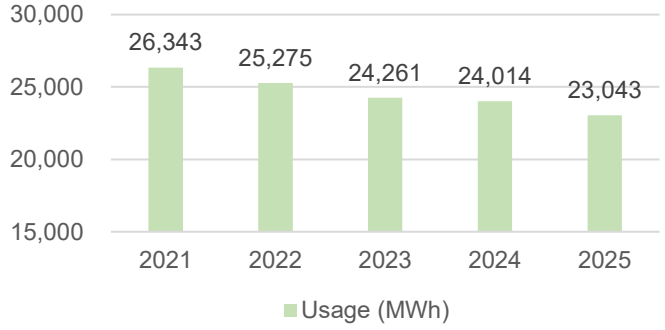



Plant-area clean-up with employees' families
Miyazaki FCL Components (Nichinan, Miyazaki)

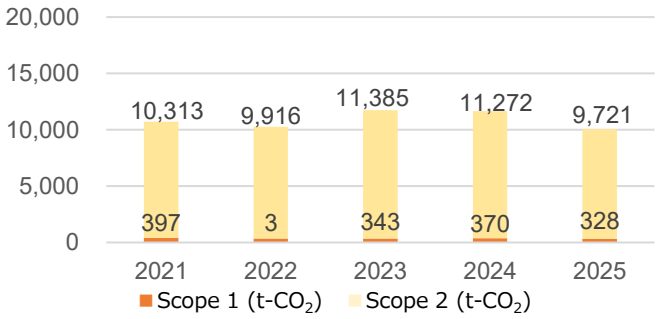
■ Preventing Global Warming (Reducing Energy Consumption Intensity and CO_2 Emissions)

FCL Components Group continuously works to reduce its use of fossil-derived energy (electricity, heavy oil A, LPG, etc.). Since FY2024, we have also purchased non-fossil certificates, which certify the environmental value of energy not dependent on CO_2-emitting fossil fuels, as part of our efforts toward carbon neutrality by FY2050.
We also continue to reduce our use of tap water and groundwater.

■ Electricity Consumption

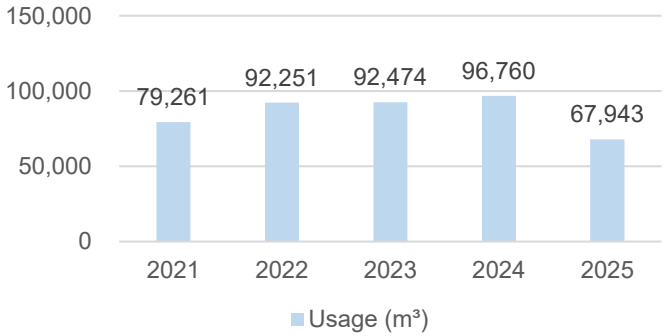


■ CO_2 Emissions



Scope 1: Direct GHG emissions from the company's own operations
Scope 2: Indirect emissions from purchased electricity, heat & steam

■ Water Consumption





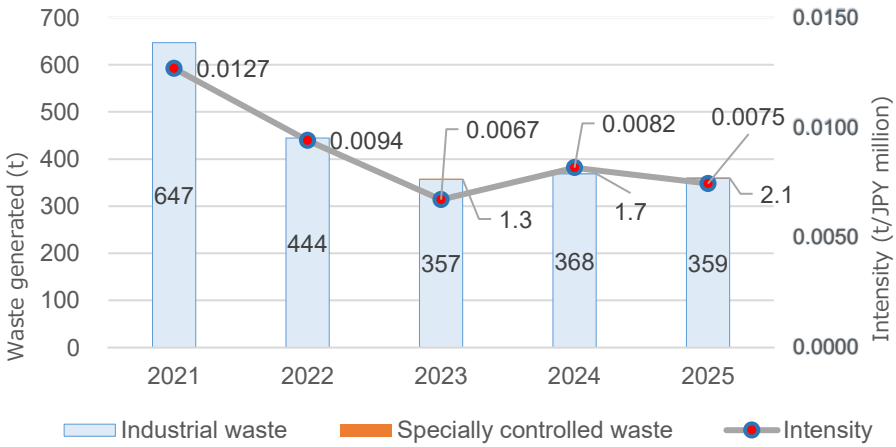
FCL ComponentsGroup
Carbon Neutral Declaration

Carbon Neutral Declaration FY2025 Interim Report

■ Reducing Industrial Waste

At FCL ComponentsGroup, every employee is mindful of the 3Rs (reduce, reuse, recycle) and practices waste separation.
We also promote the reuse and recycling of waste from offices and manufacturing processes to reduce the amount generated.
In addition, the Nagano FCL Components Repair Center provides repair services for some of our shipped products (keyboards, thermal printers and KVM solutions), contributing to a circular economy by enabling long-term use of our products.

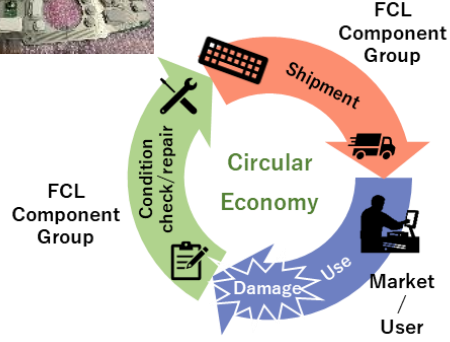
■ Waste Generated



(Note 1) Specially controlled industrial waste (explosive, toxic, infectious or otherwise hazardous to health or the living environment) is shown separately from FY2023.

■ **Long-term use of products through repair service**





8. Management of Chemical Substances in Products and Green Procurement

■ Management of Chemical Substances in Products

Under our "Common Environmental Purchasing Specifications," all purchased items are procured in compliance with environmental regulations such as the EU RoHS Directive and REACH.
For substances prohibited by FCL Components Group under these specifications, we confirm compliance via a "Certificate of Compliance for Prohibited Substances" and chemSHERPA (Note 1), preventing prohibited substances from entering our products and processes, protecting the global environment and reducing impacts on ecosystems.

(Note 1) Common information-sharing scheme of the JAMP consortium
(Chemical information Sharing and Exchange under Reporting Partnership in supply chain)

■ Green Procurement

We are reducing environmental impact across the supply chain and ask our suppliers to establish environmental management systems and to take action to prevent global warming.

9. Responsible Minerals Sourcing

■ Addressing High-Risk Minerals

With reference to the OECD Guidance (Note 1), we conduct surveys of high-risk minerals (Note 2) for our products.
The surveys use the Responsible Minerals Initiative (RMI) reporting templates (CMRT and EMRT).
To provide reliable information in response to customer requests, we will continue to identify smelters and improve supply chain transparency.

(Note 1) OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
(Note 2) Surveys identify tantalum, tin, gold and tungsten, as well as cobalt, mica, copper, natural graphite, lithium and nickel.

10. External Communication (External Assessments)

■ ISO 14001:2015 Third-Party Certification

Since obtaining ISO 14001:2015 certification in FY2016, FCL ComponentsGroup has continued to reduce its environmental impact.

■ Bronze Medal in the EcoVadis Sustainability Rating

In FY2025, we were awarded a Bronze medal, given to the top 35% of companies, in the sustainability rating by EcoVadis (headquartered in France).
Our proactive efforts were particularly highly rated in the "Environment" category.

This report covers the organizations and business activities of FCL Components Group in Japan as of March 2026.
For details on the transfer of shares of Nagano FCL ComponentsLIMITED in connection with the transfer of the integrated device business, please refer to the press release on our website.

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Contact: FCL ComponentsLIMITED
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